

**Reading LRA
Meeting Report
Tuesday, September 13, 2011**

LRA Members Attending: V. Spencer, S. Marmarou, E. Raphaelli, M. Ballas, P. Coles, J. Knockstead, F. Acosta

Others attending: L. Kelleher, C. Folk from Mary's Shelter, A. Mukerji, J. Miravich

Mr. Spencer called the meeting to order at approximately 5:10 pm and announced that a quorum was present.

Ms. Kelleher highlighted the LRA's activities since the Reading Hospital withdrew its application in the fall of 2010. She stated that Mary's Shelter announced their request for an amendment to the reuse plan to allow them to have the existing main facility in place of the one acre parcel along the Pershing Blvd area. She stated at the last meeting the Authority inquired about deeding the entire parcel to Mary's Shelter at no cost while the Redevelopment Authority markets the property for a ratable use. She also stated that Mr. Miravich was asked to call the HUD Solicitor to obtain clarification about some additional matters.

Ms. Kelleher stated that the HUD and the Navy informed her that the parcel could not be conveyed to Mary's Shelter unless they agreed to use the entire parcel for homeless purposes for 15 years. They both agreed that a no cost transfer to the Redevelopment Authority until the remaining 6.06 acres sold was also impermissible.

Ms. Folk and Mr. Miravich expressed their desire to also obtain possession of the rear portion of the property (the location where they were originally going to build a new facility) so they can expand their operations in the future. Ms. Folk explained that Mary's Shelter originally requested that the entire site be conveyed to Mary's Shelter. However, that original request was withdrawn when Mary's Shelter and BWIC submitted a joint application.

Mr. Raphaelli stated that the surrounding community does not agree with dedicating this entire parcel for a social service reuse. He and Mr. Acosta agreed that the neighborhood expressed a strong desire to see at least part of the parcel used for ratable purposes. Mr. Acosta noted that this neighborhood is already overridden with a variety of social service agencies.

The LRA went into executive session to discuss some details surrounding the Redevelopment Authority's desire to purchase the 6.06 acres from the Navy at approximately 5:30 pm

The LRA reconvened at approximately 5:45 pm.

Ms. Kelleher distributed a draft copy of a resolution to amend the Reuse Plan. Mr. Spencer noted the need to consider this resolution due to the tight time line. He noted that the Marines will be completely out of the facility at the end of September.

The LRA noted the need to hold a community meeting to inform the neighborhood about the Redevelopment Authority's desire to purchase the property for residential development. Mr. Knockstead suggested that it may be best to wait until the negotiations between the Navy and the Redevelopment Authority are complete. He inquired about the projected timeline. Ms. Kelleher stated that prior to the start of negotiations, the Navy will need to appraise the property so fair market value can be established. She stated that the Assessment Records (circa 1994) show that the total assessed value (land and building) is \$1.7M, with the buildings assessed at \$1.1M and the land assessed at \$586K. She noted that the Navy will appraise the parcel without the main building, as that will be deeded to Mary's Shelter, so appraised value should be significantly less than the assessment. Mr. Mukerji agreed.

Ms. Folk inquired if the Navy will provide a key to the facility to the LRA so that the City can maintain the property. Ms. Kelleher stated that she believes the Navy will move away and that the property will sit, as did the Armory building at 12th and Exeter Streets. Ms. Folk inquired if the Navy would be willing to provide a key to Mary's Shelter so they could safeguard the property. Ms. Folk was advised to contact the Navy.

The LRA reviewed the draft resolution which covers the following:

1. The Reading Local Redevelopment Authority hereby authorizes the amendment of the Reuse Plan originally approved in March 2010, by conveying the main facility of the Navy Marine Center, located at 615 Kenhorst Boulevard, to Mary's Shelter extending from the boundary at the rear access road from Pershing Boulevard to the curb line of the main access road from Kenhorst Boulevard.
2. The Reading Redevelopment Authority further requests that the Navy undertake the necessary tasks to set the Fair Market Value of the remaining 6.06 acres of the Navy Marine Center, located at 615 Kenhorst Boulevard.
3. The Reading Redevelopment Authority was formed and organized pursuant to the Urban Redevelopment Law, Act of May 24, 1945, (P.L. 991) as amended (35 P.S. Sec. 1701 et seq.), for public purposes to undertake economically and socially sound redevelopment of areas in conformity with the comprehensive general plan of the City for residential, recreational, commercial, industrial or other purposes, and otherwise encouraging the provision of healthful homes, a decent living environment and

adequate places of employment of the people of this Commonwealth.

As such the Reading Local Redevelopment Authority further authorizes the amendment of the Reuse plan by authorizing the Reading Redevelopment Authority to negotiate with the Navy for the purchase of the remaining 6.06 acres which will allow the Reading Redevelopment Authority to undertake a residential economic development project which will benefit the City of Reading.

4. The Reading Local Redevelopment Authority furthermore requires that all current access roads that currently serve the Navy Marine Center remain in full use by Mary's Shelter and the future development of the remaining 6.06 acres.

Resolution No. 1-2011 – authorizing the amendment of the Reuse Plan for the Navy Marine Center, adopted March 17, 2010, by approving Mary's Shelter's request to obtain the main existing facility, authorizing the Reading Redevelopment Authority to negotiate with the Navy for the purchase of the site and requesting the Navy to perform an appraisal to set Fair Market Value of the parcel.

Mr. Raffaelli moved, seconded by Mr. Acosta, to adopt Resolution 1-2011.

Mr. Miravich requested an amendment to the resolution which would provide Mary's Shelter with the ability to obtain the area directly behind the main facility if the Redevelopment Authority cannot come to terms with the Navy. The LRA objected because the proposal would reduce the size of the remaining lot and further reduce the salability of the parcel.

Ms. Kelleher explained that if the Navy and Redevelopment Authority cannot come to terms of agreement, then the Navy can offer the property at a public sale leaving the City with no control over the future use of the site. Mr. Spencer agreed and stressed the importance of obtaining assistance from the Redevelopment Authority. He noted that although the Redevelopment Authority is an independent agency, they work in cooperation with the City and it's development goals. He said that providing the Authority with the ability to negotiate with the Navy is the best course of action.

Ms. Kelleher explained that some developers have expressed interest in the property and that they could work with the Redevelopment Authority to develop a plan that works in this neighborhood. Mr. Spencer noted that if those developers currently interested walk away, the Redevelopment Authority can seek out others.

Mr. Acosta called for the question.

Resolution No. 1-2011 was adopted by the following vote:

Yeas: Acosta, Ballas, Coles, Knockstead, Marmarou, Raphaelli, Spencer – 7.

Nays: None (0)

The LRA next discussed holding a neighborhood meeting to inform the community about the change. The group decided that it was best to wait until the fair market value of the property is set and the negotiations between the Navy and the Redevelopment Authority occurs.

Mr. Miravich suggested that Ms. Kelleher be authorized to contact the Navy and request that Mary's Shelter be permitted to have access to secure the property until the main facility is deeded over. The LRA agreed.

The meeting adjourned at approximately 6:15 pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk